

Reviews of Irian Jaya and Vanuatu are not included in this issue.

FIJI

Sociopolitical and economic consequences of the 1987 coups in Fiji were still unfolding by January 1998. The year began with a 20 percent devaluation of the Fiji dollar by Finance Minister James Ah Koy. Apart from the external negative impact of the economic turmoil in Southeast Asia, there have been major internal contributions to the downturn of Fiji's economy since the coups.

Politico-economic instability after the coups has been compounded by deliberate economic disasters such as the F\$220 million loss by the National Bank of Fiji due to bad debts. Furthermore, there is still uncertainty surrounding the renewal of leases under the Agriculture Landlords and Tenants Act and the relocation of tenants whose leases have not and will not be renewed. At the constitutional level, the effects of the reviewed 1990 constitution remain to be seen. There have also been uncertainties and insecurities regarding the move toward public sector reforms within the larger framework of structural adjustment.

Allegations emerged in early January 1998 that some members of Parliament attempted to suppress or tamper with evidence regarding Fiji's National Bank scandal. Corruption has also been a force to be reckoned with (*Times*, 1, 3 Jan 1998).

Given both internal and external factors, the devaluation of the Fiji

dollar was to be expected. Investment was sluggish, consumer spending was low, and there was moderate inflation. The Fiji dollar had also strengthened against those of its major trading partners, Australia and New Zealand (*Review*, Feb 1998, 2). A local economist argued, with reference to a popular international rugby event, that devaluation is a short-term solution to an economic crisis and that "even the 20 per cent devaluation is too low. Someone has to pay for things like the Hong Kong 7s holiday" (*Review*, Feb 1998), let alone the National Bank's F\$220 million in bad debts and the regular overseas trips of members of Parliament.

The governor of the Reserve Bank of Fiji stated that the devaluation would, among other things, increase the competitiveness of Fiji's exports, make locally produced goods cheaper, encourage overseas investment in Fiji, increase demand for locally produced goods, and prop up employment and income (*Times*, 21 Jan 1998). Now, a year after the 20 percent devaluation of the Fiji dollar, most families are still struggling to make ends meet, and those most affected have been the economically disadvantaged groups such as low-income single mothers; low earners such as garment-factory workers, and subsistence and semi-subsistence rural dwellers. The *Review* explained that for some families, "trying to make ends meet on a F\$50 weekly income is like climbing Mount Everest" (Sept 1998, 21).

Various social problems have emerged or increased, perhaps as a direct result of the weak economy.

Crime has been on the rise, especially burglary, which has increased by 40 percent. Housebreaking increased by 13 percent. The *Fiji Times* reported that "the increasing incidence of burglary and break-ins may well be a function of the national economy, which remains sluggish in most sectors" (18 Feb, 18). By December, law-and-order problems were still increasing. Large supermarkets, service stations, business payrolls, and even banks have been victims (*Review*, Dec 1998). A common feature of robberies in Fiji since 1987 has been the wearing of balaclavas by armed men—possibly the only outstanding contribution of Rabuka's coups to the ordinary grassroots Fijian people.

Other forms of protest have emerged in 1998 to threaten the basis of both Fijian and *Soqosoqo ni Vakavulewa ni Taukei* (SVT) leadership. Within Fijian society itself, landowners have blocked roads or demanded money for the use of their resources. Due to the promises of the coups to the indigenous Fijians, various *vanua* have demanded just compensation for the use of their resources. By October 1998, the government had partly yielded to the monetary demand of the Monasavu people for the use of their land, on which the Monasavu Hydroelectric plant is built. Conflict between the landowners and the Fiji Electricity Authority resulted in the deployment of the Fiji Police special task force to guard the premises for more than a month.

As a consequence of the increase in crime and other unforeseen forms of protest, the government allocated an

additional F\$5.8 million to the F\$36.4 million police budget for 1999 to cater for anticorruption efforts that, when studied carefully, mostly involve the upper and middle classes. An additional F\$450,000 annually was allocated for the operation of the Prisons Department for the next three years. However, despite this increase in budget, Finance Minister James Ah Koy declared that the problem of law and order is not going to be solved by money alone (*Review*, Dec 1998, 31). He fell short of explaining the other means of maintaining law and order.

If an improvement in the economy is directly linked to issues of law and order, then the future may not be very bright if one relies on the predictions of the country's economic gurus. While Fiji government economists predict an economic recovery within the next two to three years, Professor in Economics at the University of the South Pacific David Forsyth has argued that prediction is difficult in a small economy like Fiji's: "Government probably does not know what the policies are in detail. Progress is not monitored carefully and people do not know what is happening because it is not publicised" (*Review*, Sept 1998, 20).

Perhaps the economy is a direct reflection of the unstable political climate. This has become even more of a challenge to the ruling SVT government after new electoral boundaries were drawn up following the amendment of the 1990 constitution. While the constituencies have become larger, there has been a reduction in the number of communal seats, which have long been the political power base of the Fijian ruling elites.

On the other hand, open seats have been reintroduced and once again enable cross-voting among the ethnic groups, as was stipulated in the 1970 constitution. The allocation of seats for the different rolls are 17 Fijian communal (based on provincial demarcation); 6 Fijian urban; 19 Indian communal; 3 General communal; 1 Rotuman; and 25 open.

The House of Representatives consists of 71 members who are elected by voters registered in one of the four separate racially based electoral rolls (Fijian, Indian, Rotuman, and General [Other]). Voters from all of these communities will elect 25 members to the open seats, giving a "multiracial look" to Fiji's electoral system.

Drawing up electoral boundaries has not been an easy task for the Constituency Boundaries Commission, considering that there are four separate electoral rolls plus an open electoral roll. Thus the Fiji Islands have been demarcated five times to define the five major constituency boundaries—the Fijian Provincial Constituencies, the Indian Communal Constituencies, the General Communal Constituencies, the Fijian Urban Constituencies, and the Open Constituencies. Voters in Fiji will cast their votes twice: once for one of the ethnic categories, and once for the open category, where they can exercise free choice irrespective of the ethnicity of the candidate. Perhaps, for those running for election in May 1999, candidates for the open seats will have a tougher battle because they must really have multiethnic appeal to be voted into Parliament.

For the current members of Parliament, the redrawing of electoral

boundaries implies security for some and insecurity for others. In the province of Lau for instance, two of the current members in communal seats will become redundant, as the number of communal seats has been reduced from three to one. However, one of them might consider contesting the Lau-Taveuni-Rotuma open seat. With a boundary as open as this, where three provinces and more than three ethnic groups are involved, the "multi-ethnic appeal" of the candidate becomes a need. Furthermore, a candidate who is elected on an open ticket can claim wider representation than one who is elected on a communal ticket.

For large provincial communal constituencies such as Tailevu, which has now been divided into Tailevu South Communal and Tailevu North Communal, a number of things are implied. First, the dominance of one or two *vanua* within the old constituency will be put to the test, as each division may prefer to field its own local candidate. It is highly unlikely that a chief of Bau in the Tailevu South Constituency would want to contest the Tailevu North Communal seat, if there are eligible local candidates. In the long run, this division may alter the nature of patron-client politics, which have consolidated within Fijian society since the days of colonialism and the establishment of the Native (Fijian) Administration (now Fijian Affairs) and the Council of Chiefs.

Second, the division of such large provinces may enable voters to have better representation in Parliament. In the 1990 constitution, where the province of Tailevu for instance was just one communal district with three

candidates for Parliament, promises to voters were not well delivered because the three represented everyone in the province. With the new electoral boundaries voters will demand that promises be kept, as they know specifically who is representing them in Parliament. Perhaps, in the long run, this would imply that only the best would dare to contest elections.

A third possible effect of the change in electoral boundaries for the Fijian communal voters is that alignment with one particular party may be challenged. A good Fijian candidate who does not belong to the *Soqosoqo ni Vakavulewa ni Taukei* may still win a seat in Parliament. This can be attained through one of the many Fijian political parties, which include the Fijian Association Party (FAP), the Fijian Nationalist Party, the *Vanua Tako-Lavo* Party, the *Veitokani ni Lotu Vakarisito* (Christian Fellowship Party), and the Fiji Labour Party (FLP).

With the redrawing of electoral boundaries, new "marriage proposals" have been made across ethnic boundaries. The ruling *Soqosoqo ni Vakavulewa ni Taukei*, the National Federation Party (NFP), and the United General Voters have decided to tie the knot. However, three in a marriage may become too many after a while. This is a real marriage of convenience given that the first two parties represent both Fijian and Indian conservative interests. The saying "politics is the art of the possible" was validated when the National Federation Party fell in love with Sitiveni Rabuka's (SVT) party.

Another coalition has been formed between Sakeasi Butadroka's Fijian

Nationalist Party and the newly formed *Vanua Tako-Lavo* Party, both of which represent nationalist Fijian interests. The *Vanua Tako-Lavo* Party has a seat in Parliament that was won when Kavekini Navuso thrashed the candidate who was jointly fielded by the *Soqosoqo ni Vakavulewa ni Taukei* and the Fijian Association Party in the Naitasiri by-election in 1997. The Fijian Nationalist-*Vanua Tako-Lavo* Coalition has survived through its appeal to indigenous Fijian sentiments regarding the ownership of resources on native land. Navuso's victory in Naitasiri had a lot to do with his party's contribution in the dispute regarding compensation at Monasavu. With disputes regarding land and other resources increasing, the Fijian Nationalist-*Vanua Tako-Lavo* Coalition should not be dismissed easily.

The coalition between the Fiji Labour Party, the Fijian Association Party, and the Party of National Unity (PANU) is also a force to be reckoned with in the May 1999 general elections. The Fijian Association Party was a breakaway group of the SVT party. In August 1998 it suffered great loss with the passing of its leader, Josevata Kamikamica, who had the potential to become prime minister under this coalition. Adi Kuini Bavadra Speed (former widow of Dr Timoci Bavadra) took over the leadership of the Fijian Association Party, an appointment that caused major conflicts within the party and later led to the sacking of two of their four members of Parliament. One of the sacked members, Dr Fereti Dewa, dissented on two grounds, first that Adi Kuini had recently been very sick and

had undergone major operations in Australia, and second that one of the current FAP members of Parliament should have been elected as leader. These include Ratu Finau Mara (son of Fiji's president), Viliame Cavubati and Viliame Saulekaleka (both members from Lau Province), and Dr Fereti Dewa (member from Naitasiri). The conflict has not painted a very healthy image of the party.

The Party of National Unity was formed by the Ba Provincial Council. Ba is one of the four provinces in western Viti Levu and the second largest province in terms of area in Fiji. It boasts that within its boundaries are to be found major resources, including gold, sugar, forestry, tourism, various manufacturing industries, and Fiji's largest international airport. In the history of Fijian politics, opposition to eastern Fijian hegemony (which was reinforced by British colonialism), has always emerged from western Viti Levu. The formation of the Party of National Unity can also be seen as a protest against "internal colonialism" in Fijian society.

Eastern Fijian dominance began at cession in 1874 and is still going strong in 1999. The first western Fijian prime minister, Dr Timoci Bavadra, was overthrown by Rabuka's coups in 1987. The coups saw the return of eastern Fijian political dominance when Ratu Sir Kamisese Mara became president and coup leader Sitiveni Rabuka became prime minister in the new Republic of Fiji. Whereas the president has been reelected for another five-year term under the new constitution, the big question now in Fiji politics is which

coalition and which particular leader will be the nation's first prime minister in the new millennium.

Toward the end of 1998 a new Fijian political party, *Na Veitokani ni Lotu Vakarisito* (the Christian Fellowship Party) was formed by former Methodist Church President Manasa Lasaro. A number of high chiefs, who are members of both the Fiji Council of Chiefs and the Methodist Church, are supporters of this party. Most of the members were once supporters of the *Soqosoqo ni Vakavulewa ni Taukei*. Rabuka's coups have brought about the reemergence of political independence among indigenous Fijians, which has led to the formation of new Fijian political parties—a healthy sign in the pursuit of democracy.

A closer look at the political lineup for the 1999 elections reveals that the likely Indian candidates have been in either the NFP or FLP camps during the last ten years. However, most of the likely Fijian candidates have had very colorful political histories, moving from the far right to the left and back to the center of the political spectrum, and surviving for lengthy periods. The political careers of some of these stalwarts have spanned decades.

Consider the case of veteran politician Apisai "Mohammed" Tora, current leader of the Party of National Unity and one-time Muslim convert. He began his political career in the 1960s after forming the very conservative National Democratic Party in western Viti Levu, made up mostly of indigenous Fijians. The party advocated "Fiji for the Fijians," the same song that Sakeasi Butadroka, leader

of the Fijian Nationalist Party, has been singing ever since. After some time the party merged with the Indian-dominated Federation Party, giving it the name National Federation Party. In 1977 Tora was a member of the National Federation Party when it won the general elections, but a "palace coup" spoilt their chance of governing Fiji.

In 1984 Tora crossed the floor and joined the Fijian-dominated Alliance Party and became a government minister as a result. In 1987, although he won his seat in Parliament, the Alliance Party lost the election to the Fiji Labour Party–National Federation Party Coalition. He then became actively involved in the destabilization moves prior to the 1987 coups. In the early 1990s Tora formed another new party, the All National Congress, which failed to win a seat in the general elections. Currently, as leader of the Party of National Unity, Tora will run in the general elections once again. This time around his party is involved in a coalition with the Fijian Association Party and the Fiji Labour Party, which he helped to topple through the 1987 military coups. Politics really make strange bedfellows.

A number of questions are worth considering. First, given the quality of some of Fiji's politicians, can the voters trust them to deliver on their campaign promises? Second, given the complexity of the "marriages of convenience" among the various parties, can there be political stability? Third, how can the kind of multiparty cabinet stipulated in the 1997 constitution survive in such a political climate, where even the ruling party's cabinet

lineup changes with the mood of the prime minister? Fourth, if there is no effective opposition, will there be a repeat of the National Bank of Fiji saga and other corruption and political cover-ups?

The next government of the Republic of Fiji has to take Fiji out of the economic doldrums that have contributed to the high crime rate and high emigration rates. By November 1998 a total of 339 indigenous Fijians had departed, compared with 300 in 1997 (*Post*, 15 Jan 1999). If indigenous Fijians are leaving Fiji for greener pastures, then something must have really gone wrong with the promises of the 1987 coups. Perhaps the new multiparty cabinet of 1999 will lessen the economic woes and forge greater tolerance among the many ethnic groups who call Fiji their home.

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NEW CALEDONIA

The year 1998 was expected to be more important for the political future of New Caledonia than the imminent turning of the millennium. The Matignon Accord of 1988, which brought peace to the troubled French Overseas Territory, promised a referendum on sovereignty after ten years.

A vote did occur in November 1998, but it was the ratification of a negotiated agreement, the Noumea Accord, not an up-or-down plebiscite on independence as originally intended. In fact, indigenous Kanak nationalist leaders admitted they would probably not have won a majority vote on full sovereignty, because the Kanak are a minority in their own islands and not unanimous on the issue themselves. Instead, the Noumea Accord represents a compromise between nationalist and loyalist aspirations that could be precedent-setting in its own right, as a model of phased, gradual decolonization in a complex, multiethnic society. Conversely, it could also be seen as another delaying tactic—this time for fifteen to twenty years—that perpetuates Caldoche (local French) dominance in business and politics for another generation.

The most salient issue during the preceding year had been the creation of a nickel processing plant at Koniambo in the Northern Province by the *Front de Libération Nationale Kanak et Socialiste* (FLNKS) in conjunction with a Canadian investor, Falconbridge. Strikes, blockades, and hard negotiations between the FLNKS and the French majority-owned *Société le Nickel* yielded a compensated transfer of Koniambo to the *Société Minérale Sud Pacifique*, which the FLNKS hopes will generate three thousand needed jobs in the North and stem emigration to the loyalist-dominated, industrial South. After an agreement in principle before the end of 1997, and a formal signing on 1 February 1998, the final paperwork was completed in mid-June (NC, 16 June 1998; IB Mar 1998, 26–27). The

struggle for a northern plant was symbolically important for President of the FLNKS Rock Wamytan as a sign of the economic *rééquilibrage* (rebalancing) proposed by the Matignon Accord. But his single-minded pursuit of that issue as a precondition for political talks exacerbated existing tensions within the Kanak nationalist alliance over strategy (NC, 27 Sept 1997). In early 1998, the rush to a much-heralded “consensual solution” on sovereignty was almost anticlimactic in terms of drama, much to the relief of many residents.

Soon after the mining settlement in early February, the FLNKS dismantled its roadblocks and barricades, and Alain Christnacht, former French high commissioner in New Caledonia, flew from Paris to Noumea, the territorial capital, to restart political negotiations after a hiatus of almost two years. Delegations from the FLNKS and the loyalist *Rassemblement pour la Calédonie dans la République* (RPCR) went to Paris at the invitation of recently elected Socialist Premier Lionel Jospin. The Matignon Accord had been signed ten years earlier by the same three parties, though the Socialist premier of that era was Michel Rocard, and FLNKS President Jean-Marie Tjibaou was assassinated in 1989 for his compromise. Jacques Lafleur still leads the RPCR, but it has since spawned dissidents, such as *Une Nouvelle-Calédonie pour Tous* (UNCT) led by rival Caldoche businessman Didier Leroux. Wamytan's FLNKS has also changed, accepting the Wallisian *Rassemblement Démocratique Océanien* (RDO), led by Aloisio Sako, as a full member in February, and maintaining on-again, off-again rela-

tions with the *Parti de Libération Kanak* (Palika) and the *Union Syndicaliste des Travailleurs Kanak et Exploités* (USTKE). All three pro-independence groups, however, played supportive roles in the FLNKS talks with Jospin in Paris between February and April, whereas Leroux was not invited (interview; *LEC*, May 1998).

The FLNKS delegation set a deadline for agreement: 4 May, the ninth anniversary of Tjibaou's assassination and the proposed date for the grand opening of the new cultural center built in his honor outside Noumea. The FLNKS sought a transitional status of self-government "in association" with France, but the RPCR's secretary-general, Pierre Frogier, opposed that idea—calling it akin to independence—and instead wanted a lengthy postponement of the sovereignty issue in order to create a favorable investment climate (*EIU* 1998, 18–22; *IB*, Dec 1998). In March, members of the FLNKS delegation voiced their views to sympathizers in Paris. Bernard Lepeu, president of the large *Union Calédonienne*, said that the victory on the northern nickel processing plant was essential, in order to avoid letting colonialism back in through the window after it was kicked out the front door, as Tjibaou once warned. He regarded the primary negotiation as that between the Kanak people and France, the colonizer, while that between the FLNKS and the RPCR was a secondary one between fellow "victims of history." Yet Lepeu saw the RPCR as one of two "menaces" the FLNKS leadership had to face, the other being a younger generation of Kanak who viewed 1998 as the year

of independence. He said frankly, "the two communities in Caledonia cannot find a solution together," so a constructive, conciliatory policy from France was crucial. Eric Bessi  re of the small, Marxist unionist *Parti Socialist Kanak* emphasized the immigration issue, arguing that almost 20,000 people had arrived in the territory since the Matignon Accord (out of a total population of about 200,000), taking away jobs from local inhabitants. At the same time, 110 Chinese boat people were being held in custody after anti-immigrant demonstrations had forced the government to refuse them asylum. Lepeu said that the electorate must be limited, instead of allowing any French citizen to participate in important plebiscites. Ren   Porou of the *Union Progressiste M  lan  sienne* supported an "associated state" rather than the "internal autonomy" that France had proposed since 1996, because the former implied a move toward full independence, not a terminal status (*KO: Rencontre avec le FLNKS*, Mar 1998).

On 21 April, the three sides reached agreement in Paris, and they formally signed the new accord in Noumea on 5 May, on schedule for the Tjibaou Cultural Center's opening. Wamytan proudly announced, "Independence begins today!" (*LEC*, May 1998), but Lafleur was soon telling his own constituents, "New Caledonia will never be independent" (*IB*, Dec 1998, 30). After the document was translated into 261 articles of law, a referendum to approve the accord was held on 8 November. Overall, 74 percent of the territory's 106,706 registered voters participat-

ed, and 71.87 percent voted yes on the agreement. The Kanak-dominated Northern and Islands Provinces registered the highest level of support, 86.79 percent and 95.47 percent respectively, though less than half of the voters in the Loyalty Islands went to the polls. In the South, the voter turnout was largest, 80.71 percent, but only 62.99 percent voted yes—about the same proportion who had voted no on the Matignon Accord a decade earlier. This apparent reversal of sentiments did not prevent Lafleur from expressing bitterness over the fact that in his supposed stronghold, Noumea, 42 percent still voted no this year, mainly because of opposition to his personal power by Leroux and other loyalists (*IB*, Dec 1998, 30; *PIR*, 9 Nov 1998). France meanwhile had to amend its own constitution in July to legalize the accord, and just before Christmas, the French Parliament passed a law that enabled the new territorial statutes to take effect (*PIR*, 5 July, 23 Dec 1998).

The Noumea Accord (*NC*, 6 May 1998) is unique in French constitutional history. In the preamble, which Sylvain Pabouty of the FLNKS political bureau credited to loyalist Kanak in the RPCR such as Simon Loueckhote of the Islands Province, France in effect confessed to the injustices of its past rule of New Caledonia. Paris admitted that annexation did not constitute a legal agreement with the Kanak people, who had their own civilization and were thereafter marginalized and traumatized despite economic progress in the territory. France agreed it was time to face up to “the shadows of the colonial period,” recognize Kanak customs and identity

(eg, spending 320 million French francs on the new cultural center), and create a New Caledonian citizenship that limits work and voting rights to long-term residents. Kanak customary law is equal to French civil law, a Customary Senate has power over all matters pertaining to Kanak culture, Kanak languages are officially equal to French, Kanak place names will be revived, and Kanak cultural artifacts will be returned from abroad. Moreover, the Territorial Congress will have more power to make “laws of the country,” and governing powers will devolve to it gradually over fifteen to twenty years, until by 2015 Paris will retain “only” control over order (police), justice (courts), defense, currency, and foreign affairs (though the territory can participate in regional organizations). The country will choose a new name for itself—Pabouty mentioned Kanaky New Caledonia as a possibility, in imitation of Papua New Guinea (interview)—and by 2015 the congress will have three chances to propose a vote on independence.

Leaders on all sides hailed the accord as a triumph of peaceful negotiation and compromise, even though obvious differences on the final outcome remained (*NC*, 13 June 1998). In July, the French parliamentary vote to amend the constitution, to allow a gradual but irreversible devolution of powers, special citizenship, and restriction of the franchise, was 827 to 31, a week before Bastille Day (*RAN*, 7 July 1998). Both the Socialists and Gaullist President Jacques Chirac said they favored greater autonomy for all Overseas Territories, and other French Overseas Departments and

Territories soon asked for just such an arrangement—including the government of Gaston Flosse in French Polynesia, which until then had boasted the most autonomy and been proposed as a model by Paris (NC, 13 June 1998; PIR, 5 June 1998). By some standards, the new accord is progressive, insofar as it recognizes inherent Kanak sovereignty while protecting the rights of other long-term residents. Only local citizens (those resident in 1988) will be able to vote in the 1999 territorial and provincial elections (IB, Dec 1998, 31). Supporters argue that “decolonization” means the ending of colonial status, not necessarily full independence, as United Nations Resolution 1541 suggested in 1960, when it proposed independence, free association, or integration into the metropolitan country as appropriate outcomes of an act of self-determination (Aldrich and Connell 1992, 297). Nevertheless, the FLNKS has asked the United Nations to keep New Caledonia on its Decolonization Committee’s list, to pressure France to follow through on its commitments, and to encourage non-Kanak residents to begin thinking of themselves as part of a Pacific nation. New Caledonia will now sit as an observer in the annual Pacific Forum meeting, joining the self-governing regional community with its Kanak identity officially validated (IB, Dec 1998, 9, 31–32). Meanwhile, Pabouty and other Kanak leaders argue that within fifteen years the Kanak are predicted to become a demographic majority, thereby assuring the eventual triumph of Kanaky (interviews).

Not all responses were so positive,

however. Kanak writer Sarimin Boengkih asked, “Why wait another 20 years?” Were the sacrificial deaths of the 1980s for nothing? “Our best political leaders are gone,” he lamented, “and those who remain are not capable of continuing and achieving the work begun” (interview). USTKE Vice President Gerard Jodar noted that Lafleur can now retire with a legacy of having prevented Kanak independence during his political career, while a new Kanak political elite enjoys a higher standard of living and risks losing touch with its own grassroots base (interview). Some former FLNKS leaders, such as François Burck, Leopold Jorédié, and Raphael Mapou, broke away and formed a *Fédération des Comités de Coordination des Indépendantistes*. They called for a “mutation” of the leadership class and soon allied themselves with the RPCR (NC, 18 June 1998; interview). Two rival patronage systems were emerging, now that the FLNKS will have an economic base in the North, and gamblers were lining up behind their favorites. Since Leroux had failed to forge a “third force” in the elections for the French Parliament in 1997, Thierry Vallet took half the UNCT’s members over to the RPCR. Yet the UNCT newspaper complained that the Noumea Accord did not safeguard the democratic rights of local residents against Lafleur, and Kanak critics agreed that the powers transferred to the territory would continue to be controlled by the RPCR “mafia” (LEC, May 1998; KO, Mar 1998).

Nevertheless, the Noumea Accord does confer a kind of nationhood on New Caledonia, with important controls over immigration, employment

and voting rights, as well as national identity symbols, all contentious issues for a long time. Feeling threatened, the three traditional rulers of Wallis and Futuna protested to Paris about the possible effect the accord might have on the flow of remittances sent home by Wallisians living and working in New Caledonia—a diaspora that now totals over half the Wallisian and Futunan population (NC, 13 June 1998). The Noumea Accord stipulates that “a particular accord” must be negotiated between Wallis and Futuna and New Caledonia. When asked if that provision might safeguard a loophole for his compatriots, Tino Manuohalalo, the RDO representative to the Territorial Congress on the FLNKS list, said it would more likely mean explaining to his former compatriots that they could no longer expect the same easy access to a growing economy. In effect, Wallisians will have to choose which nation to belong to in 1999, and the same is true of other recently arrived French citizens (interview).

The proposed decentralization of New Caledonia's relationship with France places the country in that gray zone occupied by so many territories that lack full sovereignty in the Pacific, from the freely associated states to Tokelau and American Samoa, which each enjoy significant self-government while remaining dependent on outside monetary transfers. France still wants to have a global image, with the third largest maritime exclusive economic zone, strategic and cultural influence in every ocean basin, and worldwide bases for financial and commercial expansion (Aldrich and Connell 1992; IB, Dec

1998, 31–34). Another generation of *francophonie* in New Caledonia will certainly further those goals. Yet despite the challenge ahead for Kanaky, whose leaders face opposition from local landowner associations and others who disagree with their vision of economic development based on mining and tourism, a new nationality has been enshrined in law. While economic strikes shut down the port, daily newspaper, radio and television stations, and main roads in October, most were resolved by the November referendum (IB, Dec 1998, 31; PIR, 14 Oct 1998). As they move away from divisive political confrontations and colonial abuses, the peoples of this bloodied territory may yet find a way to set an example for other multiethnic communities in the region. Inflation is down, investment is up (PIR, 14 Jan 1999), and the local-born will receive increasingly favored access to employment and political power. The provincial and congressional elections of mid-1999 will no doubt provide a preview of the difficult, long-term nation-building process to come. In December, *Islands Business* magazine optimistically chose Wamytan and Lafleur as its Men of the Year, but decolonization is only beginning in New Caledonia—again.

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PAPUA NEW GUINEA

According to Prime Minister Bill Skate, natural and economic disasters made 1998 a particularly tough year for Papua New Guinea. Following on the heels of a protracted drought, the tsunami that struck the coast near Aitape in West Sepik Province in July exacted an enormous human toll. The economy experienced some external shocks in the form of declining commodity prices, which, coupled with rising prices for imports, led to aggressive budgetary action toward the end of the year. The prime minister could take some comfort from the significant progress in the peace process on war-ravaged Bougainville, and from his own political survival in the face of constant criticism of his ethics and leadership style.

The prospects for as many as 1.2 million rural dwellers appeared grim at the beginning of the year as the worst drought in a century continued to disrupt supplies of food and water throughout the country. However, by

early March more normal weather patterns had resumed, allowing the emergency relief operation spearheaded by Australia to begin winding down. In July, Australian medical and military personnel were back in Papua New Guinea as part of an international effort to deal with the aftermath of the Aitape disaster. Shortly before seven o'clock on the evening of Friday, 17 July, an undersea earthquake measuring 7.1 on the Richter scale generated a fifty-foot wave that swept ashore less than a minute later, traveling up to a mile inland in some places. The tsunami devastated an eighteen-mile stretch of coastline, killing more than two thousand people and destroying the villages of Sissano, Teles, Arop, Ilil, Warapu, Malol, and Pera Nambis. Some of the injured were flown out of the area or treated at a hastily established field hospital, while nearly nine thousand survivors sought refuge in six temporary "care centers." Although the disaster attracted immediate support from overseas, rescue and relief efforts were hampered by severe logistical and communication problems, which according to a United Nations report released in August "may have cost lives" (PIR, 18 Aug 1998).

Like all of his predecessors, Prime Minister Skate discovered that managing the national economy and achieving "development," especially in the rural areas where more than 80 percent of Papua New Guineans reside, were difficult tasks. Early in his term in office, Skate faced declining export receipts, especially for minerals and oil, and the virtual collapse of timber exports resulting from the economic crisis in Asia. Meanwhile

import costs were rising rapidly as the value of the kina declined, and drought-related relief efforts put additional strains on the budget. At the beginning of 1998, economists were forecasting declining foreign reserves, rising inflation, negative growth in the non-mining sector, and a growing budget deficit. Delegates to a national economic summit held in February warned of a crisis as severe as that of 1994–95, which precipitated a massive and controversial World Bank-led bail-out effort (*PR*, 14 Feb 1998, 1,4).

Like the Chan government before it, the Skate government soon clashed with the World Bank over the terms of the ongoing support package. This time the bank demanded as a condition for the release of A\$90 million that Skate dismiss his chief economic adviser, Dr Pirouz Hamidian-Rad, a former head of the bank's team assigned to work with Papua New Guinea. Hamidian-Rad stated publicly that not all of the many economic reforms demanded by the bank were necessary, and that it was trying to bully Papua New Guinea into agreement. Meanwhile, the Skate government secured staged commercial loans totaling US\$120 million from a Brussels-based bank to support the budget and dwindling foreign reserves (*PR*, 21 Oct 1998, 1), and embarked on an aggressive reform program of its own.

In July, Skate dismissed or reassigned twelve heads of government agencies in the interest of increased productivity in the public service, and announced the establishment of a Private Enterprise Ministry to identify which government services could be

privatized or corporatized. The 1999 budget introduced in November cut more than five thousand public service positions, relocated a further two thousand to the provinces, abolished fifteen statutory authorities and committees, and earmarked most government departments for restructuring. According to Treasury and Planning Minister Iairo Lasaro, other measures, including tariff reform and a value-added tax, were designed to promote smaller, labor-intensive businesses and make the private sector "the engine of growth." The budget also called for a threefold increase in funds allocated for rural and economic development (*PR*, 30 Nov 1998, 1). Previous plans to downsize or radically restructure the 65,000-strong public service have tended to falter in the face of strong opposition, bureaucratic inertia, or changes of leadership. Skate's reform effort certainly provoked opposition from the trade union movement, which led a rally of about two thousand at Parliament to demand that the budget be scrapped (*PIR*, 24 Nov 1998). However, by year's end Skate remained determined to implement the reforms, and his political position seemed relatively secure.

Skate proved himself adept at the politics of survival during 1998. Early in the year he was cleared of bribery allegations associated with videotapes secretly recorded by former adviser and Australian businessman Mujo Sefa and aired on Australian television. According to Police Commissioner Peter Aigilo the evidence on the videotapes themselves was insufficient to make a case against Skate and Police Minister Thomas Pelika, who also appeared on

the tapes. Aigilio said Sefa had failed to produce "concrete evidence" of the alleged wrongdoing, which included authorizing bribes for journalists and politicians. Sefa claimed he had cooperated with the inquiry—and promptly released further secretly recorded videos to the Australian media (PIR, 2 Feb 1998). Meanwhile, Skate accused his former Deputy Prime Minister Chris Haiveta, whom he had fired in late 1997, of conspiring with Sefa to discredit his government.

The dispute with Haiveta led Skate to dump Haiveta's Pangu Pati from the coalition and elevate People's Progress Party leader Michael Nali to the position of deputy prime minister. However, he appointed Pangu Pati stalwart and former Prime Minister Sir Rabbie Namaliu to his new cabinet, and in the next few months significantly increased his support in Parliament. By August, Skate's shake-up of the top echelons of the public service was causing some unease among the coalition partners, who claimed they were being excluded from decision making. Members of the People's Democratic Movement, the Independend Alliance, the United Resource Party, and even Skate's own PNG First party, were uncomfortable with the influence wielded by economic adviser Hamidian-Rad and Public Service Minister Ian Ling-Stuckey, who had rejoined the cabinet after being fired in late 1997 along with other members of the Pangu Pati. They also claimed that they had not been consulted about Skate's plans to replace Michael Nali with two deputy prime ministers, Ling-Stuckey and People's Democratic Party Leader Iairo Lasaro.

In October, Skate dismissed Nali and all his Peoples Progress Party colleagues from the coalition, accusing them of causing "instability" in his government. Although Nali was outspoken in his criticism of Skate, describing him as "the most inconsiderate, egotistical, irrational and erratic" politician he had ever met, seven of the twelve parliamentary members of the People's Progress Party opted to stay with the government and joined Skate's PNG First party (PR, 26 Oct 1998, 1). Iairo Lasaro was duly appointed deputy prime minister, and by the end of the year the prime minister could claim the support of 63 members of the 109-seat Parliament.

Some cabinet and coalition changes during the year were attributable to disagreements over policy. Nali, for example, claimed he had been dumped as deputy prime minister because he strongly opposed the reappointment as Defence Force commander of Brigadier General Jerry Singirok, dismissed in 1997 for his role in the Sandline mercenary crisis (Wesley-Smith 1998). However, much of the maneuvering reflected a familiar form of coalition politics involving the strategic use of cabinet positions to consolidate parliamentary support and ward off threatening votes of no confidence in the prime minister. Early in the year Skate tried to introduce radical constitutional changes that would make it much more difficult to remove a prime minister during the five years between general elections. These efforts were unsuccessful, leaving Skate facing the possibility of a vote of no confidence after his eighteen-month period of immunity from such votes expired in

February 1999 (*PR*, 28 March 1998, 6). To thwart opposition attempts to mount such a vote, in December Skate adjourned Parliament for eight months, leaving critical legislative business unfinished and putting the Bougainville peace process in jeopardy.

This was a generally encouraging year for residents of Bougainville after a decade of war that had claimed the lives of an estimated twenty thousand people. The peace talks that commenced on 19 January at Lincoln University, near Christchurch in New Zealand, involved more than two hundred delegates representing the major parties to the conflict, as well as high-level delegations from neighboring countries. The meeting was attended by the prime ministers of Papua New Guinea, New Zealand, and Solomon Islands; Papua New Guinea's leader of the opposition; the foreign ministers of Australia and New Zealand; as well as observers from Fiji, Vanuatu, and the United Nations. On 23 January, the protagonists endorsed the Lincoln Agreement on Peace, Security and Development on Bougainville. Sir John Kaputin, chief negotiator, and Sam Akoitai, minister for Bougainville Affairs, signed on behalf of the Papua New Guinea government. Joseph Kabui, vice president of the Bougainville Interim Government, and Sam Kauona, commander of the Bougainville Revolutionary Army, signed on behalf of the secessionist rebels, while Premier Gerard Sinato added the endorsement of the officially sanctioned Bougainville Transitional Government. Hilary Masiria signed in his capacity as commander of the pro-government Resistance Force, and

three of Bougainville's representatives in the national Parliament, John Momis, Michael Laimo, and Michael Ogio, also pledged to support the agreement.

The Lincoln Agreement provided for an ongoing process of reconciliation between the warring parties. It announced a "permanent and irrevocable" ceasefire, to take effect on 30 April 1998, and a phased withdrawal from the province of the Papua New Guinea Defence Force. An international Peace Monitoring Group would be deployed in Bougainville while a civilian police force was recruited and trained. There would be a general amnesty for crisis-related offenses, and all parties would cooperate in "restoration and development" activities on Bougainville. Unlike earlier peace agreements, the Lincoln Agreement did not attempt to tackle the key divisive issues head on. There was no agreement on Bougainville's future political status, although the parties did agree to discuss "the political issue," and establish a Bougainville Reconciliation Government, before the end of 1998.

Although the agreement was widely hailed as a success, implementing some of its terms proved difficult. The ceasefire agreement, hammered out in more detail in Canberra in March, was duly signed on 30 April at the provincial capital of Arawa in front of a large crowd of Bougainvilleans and visiting dignitaries. The unarmed Peace Monitoring Group, consisting of forces from Australia, New Zealand, Fiji, and Vanuatu, replaced a similar Truce Monitoring Group deployed in Bougainville since November 1997. In April, the United

Nations Security Council issued a statement in support of the Lincoln Agreement, and the UN secretary-general dispatched an observer mission to Bougainville to help monitor the situation. However, Kabui and other Bougainville leaders were concerned about apparent delays in the withdrawal of Papua New Guinea troops provided for in the agreement. Although the government declared Arawa town a demilitarized zone in June, troops did not actually leave there until August following a cabinet decision to rescind the constitutional call-out order issued in 1989. Even then, the soldiers remained in the nearby port town of Loloho, albeit under the normal legal provisions of the constitution. Perhaps more ominous was the refusal of rebel leader Francis Ona to participate in the peace process despite numerous invitations to do so. He continued to assert that full and unconditional independence was the only acceptable option for Bougainville, condemned Kabui's and Kauona's involvement in the peace process, and threatened to kill members of the Peace Monitoring Group.

Not surprisingly, "the political issue" continued to be the most troublesome one to deal with. Joseph Kabui made it clear on several occasions during the year that he and his supporters still regarded independence as their ultimate goal, and that they saw the proposed Bougainville Reconciliation Government simply as a means to that end. Prime Minister Skate made it equally clear that independence was never going to be an option, although he did seem open to the idea of a phased transfer of pow-

ers leading to a considerable degree of autonomy for the province. Well into the second half of the year, no consensus regarding the composition of the Reconciliation Government had emerged, and no timetable for its establishment had been determined. The national government seized the initiative in September, announcing an agreement with the parliamentary opposition that would establish an interim reconciliation government on 1 January 1999, to be replaced by a fully elected government before the end of June. The agreement did not determine the composition of the government, although it did stipulate that the four Bougainville members of Parliament would be full members of the assembly (PIR, 29 Sept 1998). Arguing that they had not been consulted, and that they did not recognize the Papua New Guinea constitution anyway, Kabui and other leaders in Bougainville opposed the initiative, taking particular exception to the automatic involvement of the national members of Parliament in the new government.

The debate about the Bougainville Reconciliation Government was rudely interrupted in early December when opposition members boycotted Parliament, preventing Skate from getting the two-thirds vote necessary to amend the constitution and clear the way for the new government. The boycott was staged to protest the prime minister's plans to adjourn Parliament so as to avoid a vote of no confidence, although Skate claimed that the opposition had agreed to support the passage of the amendment if he agreed to reconvene Parliament by July 1999 (PR, 14 Dec 1998, 1).

Meanwhile, leaders in Bougainville vowed to establish a Bougainville Reconciliation Government in the new year, outside the terms of the constitution if necessary. This was a significant setback for the peace process, and also a setback for Skate, who had been able to claim progress on the Bougainville issue as one of his government's most notable achievements.

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SOLOMON ISLANDS

On 7 July 1998 Solomon Islands celebrated twenty years of constitutional independence. The highlight of the celebrations was the first Melanesian Arts and Cultural Festival, which brought together in Honiara performers from Papua New Guinea, Vanuatu, Fiji, and New Caledonia. There was even a delegation from Taiwan. The festival also coincided with the nation's annual Trade and Cultural Show. Furthermore, two weeks prior to the independence anniversary celebrations, Honiara had hosted the Pacific History Association conference, which attracted more than a hundred budding and established Pacific Islands scholars from the Pacific Islands and beyond. It was

a busy time for Honiara.

The events of June and July reflected a politically busy year for Solomon Islands. Generally, 1998 was a year of political optimism. The government pushed for reforms and seemed confident that its program would steer the nation away from the political instability and economic hardships that have characterized the public landscape in the last two decades. It was obvious, however, that many of the reform proposals were not entirely new. They reflected neoliberal and economic rationalist initiatives elsewhere, especially those propagated by international financial institutions and aid agencies.

To understand the political events of 1998, it is necessary to have some knowledge of the political and economic developments of previous years. In particular, the factors that influenced the outcome of the August 1997 national elections are pertinent.

Solomon Islands since independence has been characterized by a high turnover of governments, which resulted from, among other factors, undeveloped political party systems, individually biased voting patterns, and the frequency of motions of no confidence against successive prime ministers. Consequently, Solomon Islands has had eight governments and five prime ministers in the last twenty years, making it difficult to implement policies. Governments often did not survive the four-year term and spent much time and effort trying to stay in power.

Furthermore, by the beginning of the 1990s the economy had fallen through the cracks, causing debts to rise beyond the government's ability

to repay. By the end of 1997 government debts amounted to S\$1.2 billion, which was more than double the country's 1998 budget. The debt crisis was exacerbated by successive governments' failure to service loans. By the end of 1997 arrears from loans had reached a staggering S\$192 million. This deteriorating economic situation was caused by a variety of factors such as: a weak balance of payments exposed by the collapse of the log export trade at the end of 1997; uncontrolled government spending and noncollection of revenue, resulting in a history of large unbudgeted fiscal deficits; massive public debt arrears and denial of further credit to the government, which placed excessive pressures on both the government budget and foreign reserves; weak public administration characterized by low productivity; low levels of skills and morale; the collapse of management and maintenance systems linked to the poor financial performance of the public sector, resulting in rapid depreciation of economic and social infrastructures and services; the absence of political will on the part of governments to undertake reforms; and the lack of a coherent and feasible strategy for the correction of structural weaknesses of the economy.

The negative political and economic situations were exacerbated by widespread allegations of corruption and the misappropriation of public money. In 1995, for example, five cabinet ministers were charged with receiving bribes from an accountancy firm and a logging company. In 1996 thirty-five public servants were suspended after allegedly misappropriating S\$10 million of public money.

In 1997 a number of government ministers and senior public servants allegedly misappropriated S\$1.3 million from a Special Project Development Fund paid to the Ministry of Foreign Affairs as compensation for illegal fishing in Solomon Islands waters. Despite these allegations, no one was convicted. A few public servants have either been suspended or redeployed to other ministries.

By the time Solomon Islanders went to the polls in August 1997 there was widespread desire for a change of government. Nearly every candidate went into the election calling for "change" as part of their campaign rhetoric, an idea that caught the attention of a public dissatisfied with the state of the economy and the inability of the previous government to alleviate the problems. Consequently, 48 percent of the members of Parliament who sought reelection were defeated.

Immediately after the elections a coalition government of seven political parties was elected to power, with Bartholomew Ulufa'alu as prime minister. The government included a number of new politicians who represented a younger generation of leaders. Among them were people like Manasseh Sogavare, Fred Fono, Patterson Oti, Dr Steve Aumanu, and Alfred Sasako, who brought to Parliament their experiences in the public service and the private sector. They had been staunch critics of the previous Mamaloni-led government and immediately pushed to detour from its paths. They named their group the Solomon Islands Alliance for Change (SIAC) government.

Within weeks of being elected to

office, they put together a policy statement advocating economic and administrative reforms. The details of the reform program, however, were never widely discussed, and the concept was relatively new for a majority of Solomon Islanders. Nevertheless, the reform program was soon launched as a consequence of widespread support from international institutions and aid agencies, and a Policy and Public Sector Reform Committee was later established to work out the details. It was the most important agenda item for the SIAC government during its first year in office, and included plans for privatization and restructuring of the public service.

In its privatization program, the government proposed to sell its shares in Solomon Telekom, the company responsible for telecommunication in the country, and Solomon Islands Plantations Limited, which invests in the oil palm industry. Both are joint-venture operations between the Solomon Islands Government and British multinational companies. The government owns 58 percent of shares (about SI\$17.6 million) in Solomon Telekom, while the other 42 percent are held by Cable and Wireless of the United Kingdom. The plan was for the government to sell 48 percent of its shares to Cable and Wireless, reserving the other 10 percent for the Investment Corporation of Solomon Islands, the government's investment arm. The other option is for the government to sell its shares to the Solomon Islands National Provident Fund, the country's only superannuation scheme.

With Solomon Islands Plantation

Limited, the Solomon Islands Government owns 30 percent of shares (SI\$13.7 million), another 68 percent belong to the Commonwealth Development Corporation, and the remaining 2 percent are held by the land-owners of the Guadalcanal Plains. The plan was for the government to sell 20 percent of its shares (SI\$9.1 million) to the Commonwealth Development Corporation, leaving the other 10 percent with the Investment Corporation of Solomon Islands. These shares will be paid into a Trust Unit to be set up in 1999, and eventually sold to interested local people and monitored by the Trust Unit (*Star*, Oct 1998).

The other major aspect of the SIAC government's reform program is restructuring the public service, which has proven to be an expensive institution marred by poor productivity and low levels of skills and morale. In 1997, public service salaries claimed an increasingly significant proportion (35 percent) of recurrent expenditures, taking into account the unbudgeted 14.5 percent salary increase for public service employees at the end of 1996. The reform program aims to restructure the public service in order to make it smaller and less expensive, as well as to encourage transparency, accountability, cost-effectiveness, and efficiency. A greater role is to be given to the private sector through outsourcing. Under the proposed reform program, approximately 550 public servants would be made redundant, a measure that was expected to save about SI\$16.5 million. Under the redundancy package the first affected would be permanent secretaries, who have been recommended for early

retirement. In a letter to permanent secretaries in July 1998, the government stated that the reason for their premature retirement was to facilitate improvements in the public service. They were, however, given thirty days from 28 July to make representations to the Public Service Commission (SIBC News, 31 July 1998). New secretaries to ministries were appointed in December 1998.

As a result of plans to lay off public servants, a redundancy package worth about S\$7.2 million was finalized in September 1998 to be awarded to the first 550 public servants to be laid off. Funding for the package was secured under a program of loan assistance from the Asian Development Bank (*Star*, 29 Sept 1998).

Furthermore, as part of the government's attempt to reduce the size of the public service and make it more efficient and effective, the administrative functions of several government ministries have been amalgamated (SIBC News, 17 July 1998). However, the number of ministries has increased from fourteen to twenty, attracting numerous criticisms from the public and causing skepticism about the SIAC government's plans to reduce the size of government. A letter to the editor in *Solomon Star* (28 July 1998) doubted the government's claim that it would save money under the reform program. The author stated that 550 officers receiving an average of S\$10,000 each for a minimum service period of ten years would cost the government about S\$6 million in redundancy payments. Moreover, an additional payment of S\$6 million would drain the National Provident Fund of its financial resources. In

total, payments made to lay off 550 officers would come to about S\$12 million. But the government is borrowing from the Asian Development Bank to pay for the redundancy exercise. What are the implications of this loan for the long term?

Another interesting aspect of the reform program is that despite the prime minister's claim that the program was "home brewed," it soon became obvious that much of what was proposed characterized reform initiatives elsewhere in the developing world. These reflected agendas propagated by international institutions and aid agencies. Within months of the SIAC government's establishment, Honiara was hosting representatives from the World Bank, the International Monetary Fund, the Asian Development Bank, and the European Union. Aid donors were quick to express support for the government's reform programs. The European Union, for example, in July 1998 granted Solomon Islands US\$1.3 million under a financing agreement to be used for strengthening the administration of the Ministry of National Planning and Development, in particular, the administration of European Union-funded projects. That was in addition to an ongoing US\$23 million in development assistance to Solomon Islands from the European Union (PACNEWS, 13 July 1998). In another development, the British government, in August 1998, announced its cancellation of Solomon Islands' aid debt of US\$5 million. This was as part of a gesture of support to the SIAC government's reform program. The debt was part of a loan taken in 1981 as an independent settlement from the

British government (SIBC, 7 Aug 1998). Furthermore, to support the government's reform program, the Asian Development Bank approved a loan of US\$25 million to assist clear "debt arrears, right sizing the public service and improving public sector management" (PACNEWS, 13 July 1998). At the time of writing, a further loan of US\$10 million was being negotiated with the World Bank to assist the government in the areas of education, health, and the country's financial sector (SIBC, 12 Oct 1998).

In the midst of the public-service reform euphoria the realities of Solomon Islands political culture were never far away. During the first sitting of Parliament under the new government, in April 1998, a motion of no confidence was moved against Prime Minister Ulufa'alu. It followed allegations that the prime minister was involved in the illegal sale of government houses and land in Honiara. Again, on 18 September 1998, another motion of no confidence was moved against the prime minister, triggering a major constitutional crisis that landed the governor general, the government, and the opposition in court.

The September motion of no confidence followed months of political wrangling between the opposition and the government. It was sparked off by the prime minister's sacking of Finance Minister Manasseh Soqavare in July, which resulted in two government ministers and three backbenchers leaving the government: Minister for Education and Human Resources Development Ronidi Mani; Minister for Police and Justice Lester Saomasi; and backbenchers, Allan

Paul, Nathaniel Waena, and Johnson Koli. Consequently, by early August the opposition had made a submission to the governor general seeking the prime minister's resignation because he allegedly did not have the majority needed to rule. To back its claims the opposition presented a list containing twenty-five signatures to prove it did have the numbers to rule. This would give the opposition a clear majority in the 49-member Parliament. (Solomon Islands Parliament normally has 50 members. However, the member for Gao-Bugotu, James Saliga, died earlier in the year.) Opposition Leader Job Duddley Tausinga called on the prime minister to resign because he no longer had the support of the members of Parliament, saying it would be "an abuse of the democratic system enshrined in the constitution and a mockery of the principles of transparency, responsibility and accountability" (PACNEWS, 10 Aug 1998). The opposition demanded that if Ulufa'alu did not resign then the governor general must call a special meeting of Parliament to vote on a motion of no confidence (PACNEWS, 7 Aug 1998).

At that time, Governor General Sir Moses Pitakaka was in Brisbane for medical treatment. Acting Governor General Paul Tovua, who was also the Speaker to the National Parliament, in considering the opposition's submission, rejected calls for a special meeting of Parliament. In a letter of 11 August 1998, Tovua informed the opposition leader that there was no need to call for a special parliamentary session because the next meeting was scheduled for 12 October (*Star*, 12 Aug 1998).

When the governor general

returned, he at first upheld the acting governor general's decision. However, a few days later he reversed the decision and called for a special parliamentary session to vote on the motion of no confidence. This ignited a major political uproar and constitutional crisis. After much constitutional debate, Parliament eventually met on 18 September 1998 to discuss the motion of no confidence. After a short debate, a vote was taken, ending in a 24-vote tie. The member for West Honiara, Lester Saomasi, was in Rennell-Bellona Province and refused to travel to Honiara despite the opposition chartering an aircraft to bring him back.

The events of July to September were nearly a replay of the 1994 incident that resulted in the collapse of Francis Billy Hilly's government after only eighteen months in office. Within twelve months of taking office, the Ulufa'alu-led SIAC government faced two motions of no confidence, which took a lot of time and effort away from its reform program. Furthermore, there is no guarantee that this episode will not be repeated in the remaining three years of its life.

Following this experience, Prime Minister Ulufa'alu stated that there is a need to amend the constitution to limit the number of political parties in the country. This, he stated, would "ensure political stability and enable the government of the day to implement its policy and programs. . . . There is a need to develop political parties more professionally, so that those contesting national and provincial elections can run on party platforms which have ideologies, principles, policies and objectives" (Radio

Australia, *Pacific Islands Report*, 25 Nov 1998).

Parliament eventually met in October and did not adjourn until late November. Apart from the 1998 budget, a number of bills were passed. These included the Fisheries Bill, the Environment Bill, and the Leadership Code Bill.

By December, the country was beginning to settle down for the Christmas and New Year holidays. But the peace was disrupted by inter-island tensions between Guadalcanal and Malaita people following assaults on a number of Malaitans living on Guadalcanal. The events were connected to statements made by Guadalcanal Provincial Premier Ezekiel Alebua during the handing over of alienated land at Lunga, east of Honiara. During the handing-over ceremony he made statements to the effect that other settlers in Honiara must respect Guadalcanal people and their cultures. Some young Guadalcanal men interpreted that as a signal to chase other Islanders, especially Malaitans, who have settled on Guadalcanal. The premier also outlined a number of demands the Guadalcanal Provinces intended to submit to the central government.

By mid-December, the crisis had taken a militant turn. Some men attacked a police station on Yandina on the neighboring Russell Islands and obtained arms. On 30 December 1998, a young man from Guadalcanal was shot dead by police at Mbungana Island in the Central Islands Province, and another was wounded. By New Year's Day 1999, the crisis had further escalated. Yet the government continued to use the police despite the

availability of other avenues for conflict resolution.

It was a gloomy end for 1998 and a frightening beginning for 1999. It seems the Bougainville crisis has been reincarnated across the border in

Solomon Islands. This overshadowed a politically active 1998 and an optimistic year for many Solomon Islanders.

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